

DEPARTMENT OF ENVIRONMENTAL QUALITY

BOBBY JINDAL GOVERNOR

HAROLD LEGGETT, Ph.D. SECRETARY

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Telephone: 225.2 DEQ announces proposed recipients for wastewater projects

Rodney Mallett

225.219.3964

Contact:

BATON ROUGE – As part of the American Recovery and Reinvestment Act of 2009, the Louisiana Department of Environmental Quality has selected 55 applicants to receive \$43 million allocated to the state as part of the federal Clean Water State Revolving Fund stimulus funds. The federal government will provide final approval.

As the stimulus bill made its way through Congress, DEQ adopted a comprehensive outreach approach by maintaining close communications with mayors, parish/police jury presidents, state representatives and senators, consulting engineers as well as the Louisiana Municipal Association and the Louisiana Police Jury Association. As a result of this effort, DEQ received more than 250 applications totaling more than \$1.8 billion. Based on the submitted information from the municipalities, about \$1 billion in projects were deemed ready to proceed to construction or to be under contract within 12 months of enactment of the ARRA – a requirement of the act.

"We realized early on based on the number of applications we received totaling more than\$1 billion that we were going to have some tough decisions to make," said DEQ Secretary Harold Leggett. "There is an obvious need for wastewater infrastructure upgrades statewide. We're excited to be funding projects in 42 parishes and will fund more with the state's 0.95 percent interest rate for 20 years through the State Revolving Fund program."

To ensure the benefits from the stimulus package are felt statewide, the department looked at regional diversity to guarantee there would be widespread sewer system improvements. Forty-eight projects from around the state may receive anywhere from \$46,215 to approximately \$1.52 million to use on traditional sewer system projects.

In addition to the 48 traditional projects, there are seven "green" projects that have been identified for funding based on the ARRA requirement that at least 20 percent of the funds be used to support green projects. These projects can range from water and energy efficiency projects to green infrastructure projects or other environmentally innovative technologies. Funding for green projects range from \$110,777 to \$4.75 million. The US Environmental Protection Agency provided guidance. The list of applicants approved by the state is available at www.deq.louisiana.gov.

The department also looked at projects where there was a possibility to eliminate any imminent threats to human health or the environment. Financial constraints were also taken under consideration. Communities that did not have the ability to repay loans were targeted. Based on 2000 census statistics, Louisiana's median household income is \$32,566. All communities selected for projects fell below that threshold. Additionally, population served, project cost, requested amount, a community's ability to assume additional debt, and projects that would provide economic recovery were also considered. The federal stimulus package allows states to keep up to four percent of the grant amount, but DEQ plans to direct all stimulus funding to clean water projects and keep none.

To further support Clean Water State Revolving Fund projects which were not funded with federal stimulus money, Secretary Leggett initiated DEQ's Stimulus \$120 million Program where projects will be funded at an interest rate of 0.95 percent for 20 years. Funds will be disbursed on a first-come-first-served basis.

For information on the CWSRF program, contact Bijan Sharafkhani, P.E. at 225-219-3957, or at <u>Bijan.sharafkhani@la.gov</u>. --30--